

**IN THE CIRCUIT COURT OF THE STATE OF TENNESSEE
FOR THE NINETEENTH JUDICIAL DISTRICT AT MONTGOMERY COUNTY**

STATE OF TENNESSEE, ex rel. ROBERT
E. COOPER, JR., Attorney General,

Plaintiff,

v.

BRITLEE, INC., d/b/a The MILITARY ZONE
a/k/a MILITARYZONE.COM and LAPTOYZ
COMPUTERS AND ELECTRONICS, STUART
L. JORDAN, individually and d/b/a BRITLEE,
and MILLENIUM FINANCE, INC., and ROME
FINANCE COMPANY, INC.,

Defendants.

Case No. 50500795

Judge Ross Hicks

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**ORDER REGARDING RULINGS
FROM MAY 27, 2008 HEARING**

This matter was presented to this Court for hearing and consideration on Tuesday, May 27, 2008, in connection with eight motions and other matters pertaining to discovery and scheduling, arising out of plaintiff, State of Tennessee's pending Motion to Hold Defendant Rome Finance Company in Civil Contempt of This Court's Temporary Restraining Order ("State's Motion to Hold Rome in Civil Contempt"), filed February 14, 2007. The Court has therefore considered the following motions and other matters in order of their filing as follows:

- (1) Defendant Rome Finance Company, Inc.'s Motion for Reconsideration (Civil vs. Criminal Contempt), filed on September 21, 2007 ("Rome's Motion to Reconsider Contempt");

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- (2) Plaintiff State of Tennessee's Motion to Clarify, Reconsider and/or Reargue February 15, 2008 Order, filed March 17, 2008 ("State's Motion to Clarify, Reconsider or Reargue");
- (3) Defendant Rome Finance Company, Inc.'s Motion to Compel and for Sanctions (regarding the 1st Citizens Bank documents) filed April 18, 2008 ("Rome's Motion to Compel and for Sanctions Regarding 1st Citizens Bank Documents");
- (4) Defendant Rome Finance Company, Inc.'s Motion for Protective Order regarding State's Request to Inspect Rome's Georgia Premises, filed April 30, 2008 ("Rome's Motion for Protective Order Regarding Inspection of Premises");
- (5) Plaintiff, State of Tennessee's Motion for Sanctions for Defendant Rome Finance Company's Permanent Destruction of Evidence, filed May 12, 2008 ("State's Motion for Sanctions for Rome's Permanent Destruction of Evidence");
- (6) Plaintiff, State of Tennessee's Motion to Compel Rome to Provide Complete Interrogatory Responses filed May 12, 2008 (State's Motion to Compel Rome to Respond to Interrogatories);
- (7) Plaintiff, State of Tennessee's Motion to Compel Rome to Provide Complete 30.02(6) Deposition Testimony filed May 12, 2008 ("State's Motion to Compel Rome to Provide Complete Rule 30.02(6) Testimony);
- (8) Rome's Motion for Additional Time to Respond to State's May 13, 2008 Motions, filed May 14, 2008 ("Rome's Motion for Additional Time); and
- (9) Additional Discovery and Scheduling Matters.

Upon review and consideration of the pleadings, record before the Court, arguments of counsel, submissions and exhibits thereto,

IT IS HEREBY ORDERED AND DECREED as follows:

(1) ROME'S MOTION TO RECONSIDER CONTEMPT

With respect to the Rome's Motion to Reconsider Contempt, the Court has taken this matter under advisement.

(2) STATE'S MOTION TO CLARIFY, RECONSIDER OR REARGUE

With respect to the State's Motion to Clarify, Reconsider or Reargue, such motion is GRANTED. Reargument is scheduled for Tuesday, August 26, 2008, beginning at 10:00 a.m.

(3) ROME'S MOTION TO COMPEL AND FOR SANCTIONS REGARDING 1ST CITIZENS BANK DOCUMENTS

With respect to the Rome's Motion to Compel and for Sanctions Regarding 1st Citizens Bank Documents, such motion is DENIED AS MOOT.

(4) ROME'S MOTION FOR PROTECTIVE ORDER REGARDING INSPECTION OF PREMISES

With respect to Rome's Motion for Protective Order, such motion is GRANTED, with the following conditions: A Protective Order is issued limiting the State's examination of Rome's offices to a visual examination only and the State is to be accompanied by a representative of Rome and/or Rome's counsel.

IT IS FURTHER ORDERED that the State will be permitted to take photographs during such examination.

IT IS FURTHER ORDERED that during such examination, an explanation of the functions in Rome's office and the contents of the various file cabinets will be provided, but there will be no examination of the contents of any of those file cabinets by the State.

(5) STATE'S MOTION FOR SANCTIONS REGARDING ROME'S PERMANENT DESTRUCTION OF EVIDENCE

With respect to the State's Motion for Sanctions Regarding Rome's Permanent Destruction of Evidence, such motion is GRANTED.

IT IS FURTHER ORDERED that the assessment of sanctions is reserved until such

time as the State has completed its discovery. Because such discovery will be relevant to the determination of sanctions, what happens henceforth will be relevant to the Court's determination of what constitutes an appropriate sanction in this matter.

IT IS FURTHER ORDERED and this Court finds that Rome clearly has not complied with this Court's orders, has not dealt in good faith and has engaged in egregious behavior for which Rome will be sanctioned at a later hearing. If Rome does not or cannot supply the missing information to the State, the Court will supply the missing information in the form of adverse findings against Rome. Rome is hereby placed on notice that the Court is seriously considering putting a halt to this litigation and moving onto the issue of the ultimate relief in this case, because Rome's conduct throughout this proceeding, and particularly the last six months, has been egregious.

**(6) STATE'S MOTION TO COMPEL ROME TO
PROVIDE COMPLETE INTERROGATORY RESPONSES**

With respect to the State's Motion to Compel Rome to Provide Complete Interrogatory Responses filed May 12, 2008, such motion is GRANTED. The time period for Rome's responses to the State's Interrogatories will be addressed below.

**(7) STATE'S MOTION TO COMPEL ROME TO
PROVIDE COMPLETE RULE 30.02(6) TESTIMONY**

With respect to the State's Motion to Compel Rome to Provide Complete 30.02(6) deposition testimony, such motion is GRANTED.

**(8) ROME'S MOTION FOR ADDITIONAL TIME TO
RESPOND TO STATE'S MAY 13, 2008 MOTIONS**

With respect to Rome's Motion for Additional Time to Respond to State's May 12,

2008 Motions, such motion is DENIED AS MOOT.

(9) ADDITIONAL DISCOVERY AND SCHEDULING MATTERS

IT IS FURTHER ORDERED that full and complete the Interrogatory Answers to the State's First Set of Interrogatories Directed to Defendant Rome, that were due May 27, 2008, may be served by Rome upon the State on or before Friday, May 30, 2008.

IT IS FURTHER ORDERED that full and complete responses to the State's other outstanding discovery, including responses to the State's Requests for Production of Documents, Requests for Admissions and full and complete responses to the State's depositions will be provided by Rome within forty-five (45) business days from May 27, 2008.

IT IS FURTHER ORDERED that the hearing for the State's Motion to Hold Rome in Civil Contempt, which began on September 4, 2007 and was scheduled to continue on Monday, July 7, 2008, is hereby rescheduled to continue on Tuesday, August 26, 2008. There will be no proceedings on July 7, 2008 with respect to this case.

IT IS FURTHER ORDERED that on August 26, 2008, in addition to the scheduled reargument and contempt proceedings, all parties should be prepared to address the status of discovery, the sanctions to be assessed against Rome, as well as the question of whether this matter will proceed before a jury or as a bench trial.

IT IS SO ORDERED AND DECREED.

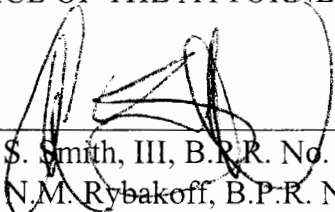
/S/ ROSS H. HICKS

Judge Ross H. Hicks

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SUBMITTED FOR APPROVAL:

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CERTIFICATE OF SERVICE

I, OLHA N.M. RYBAKOFF, ASSISTANT ATTORNEY GENERAL, hereby
certify that a true and correct copy of ORDER REGARDING RULINGS FROM MAY 27, 20078
HEARING was served upon the below counsel on JUNE 19, 2008 by United States First Class
Mail, postage prepaid, addressed as follows, and by electronic mail:

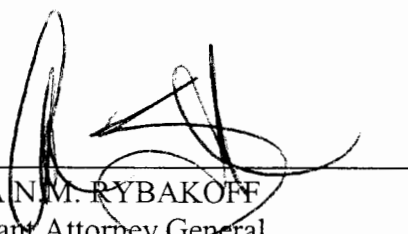
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